Personality Rights Act ("WPRA"), RCW Chapter 63.60, has been made in this case. <u>See</u> Notice dated September 1, 2010 (docket no. 91). The Washington State Attorney General ORDER - 1

26

1 ha 2 P 3 th 4 W 5 pa 6 pa

has elected not to intervene in this case. Notice dated October 26, 2010 (docket no. 101). Pursuant to the Court's instructions, the parties filed additional briefing concerning whether the WPRA would be constitutional if interpreted as a "statutory directive" to apply Washington law in determining if Jimi Hendrix's right of publicity survived his death and passed to his heir. Having reviewed all papers filed in connection with the cross-motions for partial summary judgment, the Court enters the following Order.

A. Plaintiffs' Motion for Partial Summary Judgment (docket no. 60)

Plaintiffs Experience Hendrix, L.L.C. and Authentic Hendrix, LLC (collectively, "Experience") move for partial summary judgment on one of their six causes of action, namely violation of the Washington Consumer Protection Act ("CPA"). The Court previously granted partial summary judgment in favor of Experience with regard to a different cause of action, namely trademark infringement, but only in connection with Pitsicalis's inclusion of Experience's registered marks within business names (*i.e.*, "Hendrix Licensing," "Hendrix Artwork") and uniform resource locators ("URLs") (*i.e.*, "www.hendrixlicensing.com," "www.hendrixartwork.com") and with Pitsicalis's use, as brands or marks, of the "guitar and headshot" logo and of Jimi Hendrix's signature. *See* Order (docket no. 57). Experience did not move for, and the Court did not grant, partial summary judgment as to Pitsicalis's use of the names "HENDRIX" or "JIMI HENDRIX," which might constitute nominative fair use. *See* Order at 3-10 (docket no. 27). Relying on the Court's earlier ruling concerning trademark infringement, Experience now moves for partial summary judgment on the CPA claim.

Experience, however, has not demonstrated an absence of "genuine dispute as to any material fact" relating to the CPA claim and, thus, Experience's motion for partial summary judgment must be denied. <u>See</u> Fed. R. Civ. P. 56(a) (2010). To establish a violation of the CPA, a private plaintiff must prove (i) the defendant engaged in an unfair or deceptive act or practice; (ii) such act or practice occurred within a trade or business; (iii) such act or practice

affected the public interest; (iv) the plaintiff suffered an injury to his or her business or 2 property; and (v) a causal relationship exists between the defendant's act or practice and the 3 4 5 6 7 8 9 10 11 12 13

14

15

16

17

18

19

20

21

24

25

26

plaintiff's injury. Hangman Ridge Training Stables, Inc. v. Safeco Title Ins. Co., 105 Wn.2d 778, 785-93, 719 P.2d 531, 535-39 (1986). A plaintiff can establish that a trade practice is per se unfair or deceptive by showing it violates a regulation or statute defining such practice as unfair or deceptive. <u>Id.</u> at 786. In the alternative, a plaintiff can demonstrate that a trade practice is unfair or deceptive by proving it had the "capacity to deceive a substantial portion of the public." <u>Id.</u> at 785. Experience asserts that courts "in the Western District have uniformly held that trademark infringement also constitutes a violation of the CPA," Motion at 7 (docket no. 60), relying on two cases, <u>Sleep Country USA, Inc. v. Nw. Pac., Inc.</u>, 2003 WL 23842534 (W.D. Wash.), and *Lahoti v. Vericheck, Inc.*, 708 F. Supp. 2d 1150 (W.D. Wash. 2010). To the extent Experience contends that trademark infringement is per se unfair or deceptive, neither of these cases provides support.

In Sleep Country, the court held that, because the defendant was liable for trademark infringement, it was also liable for violation of the CPA, citing Nordstrom, Inc. v. Tampourlos, 107 Wn.2d 735, 733 P.2d 208 (1987), for support. 2003 WL 23842534 at *7. In a case subsequent to *Nordstrom*, however, the Washington Supreme Court made clear that trademark infringement does not necessarily establish a violation of the CPA:

While we have eschewed the use of judicially created per se violations of the Consumer Protection Act..., we nevertheless recognize that certain acts, by their very nature, must fulfill certain prongs of the <u>Hangman Ridge</u> test. This is true of the typical trade name infringement case. . . . We emphasize that this is not a per se rule, but rather a function of what we perceive as the overlapping nature of proof in both trade name infringement cases and Consumer Protection Act violations.

22 23

<u>Seattle Endeavors, Inc. v. Mastro</u>, 123 Wn.2d 339, 350, 868 P.2d 120 (1994) (emphasis in original, quoting *Nordstrom*, 107 Wn.2d at 742-43). In *Seattle Endeavors*, the Washington Supreme Court concluded that, because the mark at issue was weak and the infringement was inadvertent, the plaintiff had failed to establish the elements of a CPA

2

3

1

4 5 6

11 12

13

14 15

16

17 18

19

20

21

22

23

25

claim. 123 Wn.2d at 350-51. Thus, Seattle Endeavors precludes any contention that trademark infringement constitutes a per se violation of the CPA.

Likewise, *Lahoti* does not support a per se argument. Contrary to Experience's assertion, the Lahoti court did not simply rest on a finding of trademark infringement, but rather the court, citing Nordstrom and Seattle Endeavors, made amended findings, after a bench trial and following remand from the Ninth Circuit, of both a strong, inherently distinctive, mark and intentional infringement before concluding that the defendant was liable for violating the CPA. 708 F. Supp. 2d at 1168. Unlike the court in <u>Lahoti</u>, this Court is confronted with a motion for partial summary judgment, as to which the Court may not weigh the evidence or render findings concerning disputed facts. The Court is not persuaded that Experience has established, as a matter of law, that Pitsicalis engaged in an unfair or deceptive act or practice or that Experience suffered any injury causally related to Pitsicalis's allegedly unfair or deceptive act or practice. Experience's motion for partial summary judgment is therefore DENIED.

Defendants' Motion for Partial Summary Judgment (docket no. 67) В.

Claims Against Christine Flaherty

Defendant Christine Flaherty is married to Andrew Pitsicalis. Experience concedes that the claims against Ms. Flaherty do not allege any individual liability, but rather are directed at the marital community. <u>See</u> Response at 24 (docket no. 81). Thus, defendants' motion for partial summary judgment is GRANTED in part, and plaintiffs' claims against Ms. Flaherty are DISMISSED with prejudice.

2. **Damages and Attorney Fees**

Pitsicalis contends that Experience is not entitled to damages in connection with the trademark infringement claim, on which the Court has already resolved in part the issue of liability, absent a finding of willfulness. The Lanham Act indicates otherwise. Under 15 U.S.C. § 1117(a), for a violation of § 1125(a), a plaintiff may recover, subject to the

principles of equity, the defendant's profits, the plaintiff's actual damages, and the costs of the action. In determining profits, the plaintiff must prove the defendant's sales, but the defendant must establish by a preponderance of the evidence all elements of cost or deduction. The Court may also, in exceptional cases, award reasonable attorney fees to the prevailing party. The Court is satisfied that whether Pitsicalis's costs equaled or exceeded sales, whether the principles of equity would warrant an award of profits, if any, to Experience, and whether this case is exceptional for purposes of attorney fees, are questions of fact. Thus, defendants' motion for partial summary judgment is DENIED in part with respect to damages and attorney fees relating to plaintiffs' infringement claim.

3. Remaining Claims and Counterclaims

Pitsicalis has also moved for partial summary judgment as to plaintiffs' claim for false designation of origin and as to two of the six counterclaims, namely the counterclaim for declaratory judgment concerning the inapplicability of the WPRA and the counterclaim for declaratory judgment of non-infringement relating to images and likenesses of Jimi Hendrix. The Court DEFERS ruling on these portions of defendants' motion for partial summary judgment.

C. <u>Counterclaim Defendants' Motion for Partial Summary Judgment</u> (docket no. 64)

Experience has moved for partial summary judgment as to the remaining four counterclaims, namely trade libel or defamation, tortious interference with business expectancy, tortious interference with contractual relations, and violation of the CPA. The Court DEFERS ruling on this cross-motion for partial summary judgment.

D. Oral Argument

Oral argument is SCHEDULED for January 12, 2011, at 1:30 p.m. on the constitutionality of the WPRA, as amended in 2008, and the portions of the cross-motions for partial summary judgment not resolved by this Order or prior to the hearing. Each side will

1	have a total of sixty (60) minutes for argument. After argument, the Court will conduct a
2	status conference for the purpose of selecting a trial date and setting related deadlines.
3	<u>Conclusion</u>
4	For the foregoing reasons, the Court hereby ORDERS:
5	(1) Plaintiffs' motion for partial summary judgment on their CPA claim, docket
6	no. 60, is DENIED;
7	(2) Defendants' motion for partial summary judgment, docket no. 67, is
8	GRANTED in part, DENIED in part, and DEFERRED in part, as follows:
9	(a) Plaintiffs' claims against defendant Christine Flaherty are DISMISSED
10	with prejudice;
11	(b) Defendants' motion to preclude plaintiffs from seeking damages and
12	attorney fees in connection with their trademark infringement claim is DENIED; and
13	(c) Defendants' motion for partial summary judgment is otherwise
14	DEFERRED;
15	(3) Counterclaim defendants' motion for partial summary judgment, docket no. 64
16	is DEFERRED; and
17	(4) The Clerk is directed to send a copy of this Order to all counsel of record.
18	IT IS SO ORDERED.
19	DATED this 29th day of December, 2010.
20	
21	I hamas 5 Felly
22	Thomas S. Zilly
23	United States District Judge
24	
25	

26